

POA FINANCE AND AUDIT COMMITTEE MINUTES

November 14, 2023

MEMBERS:

Bill Thurber - Chair
Gene Morgia – Vice Chair
Jim Conneely
Christi Cohen
Jerry Wercholak
Roger Hackler
Ron Durst
Bob Baird (incoming 1/1/24)
Fred Beyer (incoming 1/1/24)

OTHERS PRESENT:

Matt Lockwood - Controller
Scott Auer - POA General Manager
Terry Stewart – Board Treasurer
Jane Hagan - CFO

MEMBERS ABSENT:

The November 14th, 2023, meeting of the Finance and Audit Committee was called to order at 7:55 AM by Bill Thurber in the Fire Station EOC Room, with a quorum in attendance.

The minutes of the October 18th, 2023 Finance and Audit Committee meeting were approved as submitted, after a motion was made by Conneely and seconded by Wercholak.

OPERATING RESULTS:

Scott Auer and Jayne Hagan reviewed the following operating results for October 2023 and YTD.

- Summary of Operations
- Amenity Net Income
- Food and Beverage Key Metrics
- Net Income from Operations
- Balance Sheet
- Cash Flow Statement
- Income Statement

Discussion around the loss incurred from the Octoberfest festival took place. Management will evaluate the viability of the event considering both financials as well as the desire of the property owners. The 10-year cash flow model was reviewed including the remaining capital projects for 2023. No action by the committee currently.

Other Business:

After much discussion regarding the items outlined below, the following motions were made:

1. The Finance and Audit Committee recommends to the POA board that management utilizes the Board Designated-Capital Fund for deposits of the loan proceeds from the \$15M Wells Fargo credit facility. In addition, the Finance and Audit Committee recommends to the POA board that all capital expenditures related to Renew Big Canoe be dispersed from the Board Designated-Capital Fund.

Motion: Conneely Second: Cohen Motion carried 7-0

2. The Finance and Audit Committee recommends to the POA board that management transfers the current balance of the December 2022 freeze insurance settlement from Operating Cash to the Board Designated-Capital Fund.

Motion: Durst Second: Morgia Motion carried 7-0

3. The Finance and Audit Committee recommends to the POA board that per covenant the capital contribution fee be increased from \$3,500 to \$4,000 effective January 1, 2024.

Motion: Conneely Second: Cohen Motion carried 7-0

4. The Finance and Audit Committee recommends to the POA Board that they approve the 2024 Capital Replacement Budget as submitted by management in the amount of \$5,781,405.

Motion: Cohen Second: Durst Motion carried 7-0

Chair Thurber thanked Ron Durst and Jim Conneely for their service over the past years to the committee as this is their last meeting as members. Chair Thurber welcomed Fred Beyer and Robert Baird as new voting members effective January 1, 2024 to the committee. Discussion ensued relating to committee leadership for 2024.

A motion was made by Gene Morgia nominating Bill Thurber to serve as chair of the committee for 2024. The motion was seconded by Jerry Wercholuk. The motion carried 6-0-1 with Thurber abstaining.

A motion was made by Bill Thurber nominating Gene Morgia to serve as vice-chair of the committee for 2024. The motion was seconded by Jim Conneely. The motion carried 6-0-1 with Morgia abstaining.

After a motion by Conneely and a second by Cohen, the meeting was adjourned at 10:08 am by Thurber.